UNITED NATIONS **E**

Economic and Social Council

Distr.
GENERAL

E/C.12/2001/4
9 March 2001

Original: ENGLISH

COMMITTEE ON ECONOMIC, SOCIAL AND CULTURAL RIGHTS
Twenty-fifth session
Geneva, 23 April - 11 May 2001
Item 5 of the provisional agenda

Substantive issues arising in the implementation of the International Covenant on Economic, Social and Cultural Rights: International Consultation "Economic, Social and Cultural Rights in the Development Activities of International Institutions" organized in cooperation with the High Council for International Cooperation (France)

Monday, 7 May 2001

Gender equality and globalization: understanding complex dimensions of opportunity and challenge

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1. As we enter the 21st century, the world is experiencing unprecedented changes in the way human beings are organizing production, consumption, and other aspects of social relations. This compression of the time-space aspect of social relations, allowing the economy, politics, culture, and ideology of one country to penetrate another, is called globalization. This rapid inter-penetration of social relations, involving world factories, labour flows, lending facilities, communications, new knowledge and information technologies, and new cultural norms, is

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* The views expressed in the present background paper are those of the author and do not necessarily reflect those of the United Nations. The paper is issued as received.

GE.01-40936 (E)

spearheaded by a few hundred industrial and financial corporations with the technological means and strategic vision on a global scale. This process is also an outcome of macroeconomic policies designed on the basis of market-oriented criteria and financial concerns to make the world safe for transnational corporations.

2. One of the impacts of globalization has been on the role of the State in national development. The State no longer primarily acts as a buffer against the world economy, but plays an integral role in facilitating the movement of capital across national borders. While this is inevitable and desirable, **there is disconnect between macroeconomic policy and social development and gender equality objectives**. This always leads to a situation where social, human development concerns take a back seat to financial concerns. Globalization, therefore, encompasses contradictory trends, with varying degrees of pressure on the State, society and economy.

3. In recent years, there has been increased recognition in international economic policy fora that the so-called trickle down effect, for so long the social justification for economic liberalization, is not occurring. Recent studies, such as UNCTAD's Trade and Development Report 1997 and the UNDP Human Development Report 1997 and 1999, have convincingly shown that the opposite is true. While liberalization may have fostered economic growth, they have also led to rising inequalities and a decline in living standards, even in richer countries. If left unchecked, this process is socially explosive and would cause various forms of political instability.

4. **At its best**, international economic policies and initiatives, particularly those processes that drive economic globalization (i.e., trade, investment and financial liberalization) can be a positive force for promoting human development and gender equality. **At its worst**, these processes can lead to a deepening of existing economic and gender inequalities, with devastating consequences to human development. Therefore, **efforts to make globalization work for human development and gender equality must ensure that social objectives; equity and the provisioning of needs, become central to macroeconomic policy-making.**

Globalization and its impact on gender equality

5. Studies of globalization and its impact on people focus on incomes, employment, education and other opportunities. Less visible, and often neglected, is the impact on gender relations. Supporters of globalization and liberalization ignore the significant gender differences with respect to participation, remuneration and decision-making powers that prevail in society.

- **Globalization, the feminization of labour activity, and the lowering of labour standards**: Since 1980, many developing countries have undergone structural reform to make themselves attractive to foreign investment and to take advantage of new opportunities opened up by globalization. The promotion of export-processing industries is one such good example. Indeed, Export-processing zones (EPZs) have created jobs for millions of women in developing countries, but too often working conditions and wages

are poor. In order to attract foreign direct investment, national Governments often rescind or modify national labour, environmental and social legislation. These decisions have serious implications on gender relations in the labour market. The repressive labour measures have eroded workers' rights to decent wages, fair labour treatment and job security.[1]

- **Globalization and the "informalization" of homework**: Informalization is a process of sub-contracting either to subsidiaries, or locally independent firms, or by local contractors or middlemen to small units or home-based workers. This is another manifestation of the international division of labour that creates a demand for low-cost female labour. Piece-rate payments are very low and women accept poor economic returns and instability because they have few skills or are confined to home-based economic activities to meet childcare needs. More specifically, **the growth of this particular phenomenon highlights the interdependence of paid and unpaid work**. Unless macroeconomic policy addresses the issue of unpaid work, sustainable human development and gender equality will remain elusive goals. The speed at which capital can pack up and move to other locations, create conditions of insecurity and a downward pressure on wages.

- **Globalization and the intensification of poverty:** The dynamics of restructuring and integration act on "push" factors through States' management of local social and economic situations. For example, the adoption of austerity measures and structural adjustment policies requires States to adopt specific social policies to cut public spending in critical basic social service areas. At the same time, efforts are made to attract foreign capital by introducing measures which would ensure stability and profitability for such ventures. Such a policy agenda - particularly the withdrawal of the State in key areas of social services - tends to worsen the precariousness of some sectors of the population, while State repression is often used to force social practices into the logic of global accumulation. As a result, increasing malnutrition, falling school enrolment and rising unemployment threaten the social fabric of adjusting countries. The right to health, the right to education, the right to food and the right to shelter have been jeopardized.

- **Globalization, migration and trafficking:** The emergence of new categories of migrants is directly related to the process of global restructuring and of capitalist expansion in various regions. These changes are not solely economic in nature, but affect the social and political fabric of societies, with a direct impact on migration dynamics. An increasing number of women among migrants are one indication of this shift in the composition of migration flows. By destroying the traditional means of livelihood, foreign investment encourages the movement of people, very often in the direction where capital is coming from.

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[1] Article 23 of the Universal Declaration of Human Rights states that "everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment". ILO Convention No. 122 on employment policy further reinforces the promotion of "full, productive and freely chosen employment" as a major policy goal.

6. One obvious and unintended consequence of globalization has been the rise in transnational crime networks, which affect men and women differently. With increasing migration trends, the trafficking of women for sexual exploitation and the trafficking of illegal immigrants are a growing phenomenon centred on regional and sub-regional migration channels.

- **Globalization, conflict and political violence:** While globalization limits State power, there is a reassertion of historical forces of nationalism and religious fundamentalism. Just as globalization gives impetus to cultural homogenization, so too a global thrust undermines State power and unleashes subterranean cultural pluralism. Every tribe, it seems, wants its own national banner at the very moment in history when the national State is in crisis. The collapse of the social order had been accelerated by the proliferation of the private arms trade industry. As a result, many polities are disrupted, with devastating consequences to entire populations. Women are most vulnerable in conflict situations because rape is increasingly being used as a weapon of war, not only to harm them physically but also to injure the community as a whole.

7. The challenge of peace building in post-conflict countries must go hand in hand with human development. This will require an "economic compact" that will give thousands of militia members and marginalized youth, conditioned to surviving by force, an alternative to the AK-47 rifle.

- **Globalization and environmental insecurity**: In an attempt to take advantage of the growing trade opportunities in the world economy, many developing countries have deliberately made a switch in their production structure from production for local consumption to exports. This shift would inevitably entail redirecting scarce resources such as credit, fertilizer, technology and other necessary inputs to the export sector while ignoring the needs of subsistence farmers in the area of food security, soil conservation and reforestation. This type of production shift tends to have a disproportionate impact on women and men that are forced to exploit the resource base in unsustainable ways. Such survival-oriented activities include spontaneous colonization in tropical forests, small-scale mining, and intensified use of marginal agricultural lands and marine ecosystems. The problem is further compounded by indiscriminate cutbacks in vital Government programmes that fund environmental protection and the downsizing of enforcement agencies (or the relaxation of existing environmental legislation).

Recasting the debate: making globalization work for human development

8. Given the complexity of the debate and the differential power between States, capital and society, the paper now turns to exploring the potential contribution the combined United Nations system can make to promote human development and gender equality. What can the United Nations system do to make globalization work for human development? Or, conversely, what can the United Nations do to assist developing countries to manage effectively the cold current of globalization? **Where should affected populations, both women and men, go to claim their rights?**

(a) A rights-based approach as a strategic entry point

9. Human rights obligations bridge ethical standards and the legal obligations of States and other parts of society. Economic, social, cultural, civil and political rights as set out in CEDAW, as well as other human rights treaties, create legal obligations for Governments to introduce policies and programmes that create the proper environment for these rights to exist. States are bound to respect, fulfil and protect these rights.

10. In this era of globalization, is the State still able to fulfil these obligations?

- On the one hand, globalization has diminished the ability of all States to control economic outcomes that affect the well-being of their citizens. New global economic power centres challenge State sovereignty over economic resources including capital and labour markets.

- On the other hand, States remain the central actors in economic planning even as they are often pounded by the forces of economic globalization. In short, the State still remains the key player with the power to respect, protect, and fulfil economic, social and political rights of both women and men.

- **Economic globalization is not an excuse for a Government to shrink their legal duties under international law to promote human development and gender equality.**

11. As the UNDP Human Development Report 1997 made it clear, while economic growth is necessary to achieve social equity, it is by no means a panacea. Macroeconomic policy must, instead, emphasize economic growth that is oriented towards improvement in human development and gender equality. But equally important is the link between economic growth, human development and democracy. Democratization, combined with empowerment of people, holds the key to sustained and broad-based socio-economic growth and transformation.

12. In the final analysis, the State is still central in the creation of the proper environment for promoting gender equality in both the public and private spheres. The State can open up the political space so that popular participation can become a reality. And the State can regulate the activities of other transnational economic actors whose practices violate basic human rights protections.

(b) Possible sites of change

13. **At the global level**, fundamental reform in global governance is unlikely to happen any time soon. The historical legacy of exploitation, and subsequent mistrust, between the North and the South are difficult to overcome. However, efforts must be made **to re-emphasize the centrality and primacy of human rights obligations of Governments and international organizations in all areas of governance and development, including international and regional trade, investment and financial policies.** The realms of trade, finance and investment are not exempt from general human rights obligations, including the obligation of States to promote gender equality.

- While there is now widespread recognition of the need to integrate macroeconomic management and social policies, there is still a tendency to design macroeconomic policy with a focus on market-based criteria and indicators and then to add social policies designed with a focus on non-market based indicators and criteria. This always leads to a situation where social, human development concerns take a back seat to financial concerns. Desired social objectives such as equity, provisioning of needs, etc. need to be central to macroeconomic policy-making if we are to advance a people-centred development or rights-based approach to development.

- One possible instrument could be the formulation of gender equality and human rights rules for intergovernmental organizations and the creation of respective accountability mechanisms. **How countries and multilateral institutions incorporate human development and gender equality concerns should be an integral part of macroeconomic policies.** This implies a critical look at current macroeconomic models being promoted by international financial institutions.

14. **At microlevel**, support and encourage civil society organizations in promoting the human rights agenda at local, national and international levels. Specifically, they should continue to hold Governments and international organizations accountable for their obligations to promote gender equality. The devastating effect of financial discipline in the global economy is forcing popular movements across the globe to reconceptualize how to struggle for their economic rights, often outside the bounds of State power. These movements have been singularly responsible for bringing the human development discourse into the operations and activities of key global institutions, the World Bank in particular. As it has done in the past, the United Nations should continue to provide support for cross-cultural dialogue between civil society organizations from both the developed and developing countries in order to promote human development and gender equality.

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